



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 19, 2006

### **H.R. 4844** **Federal Election Integrity Act of 2006**

*As ordered reported by the House Committee on House Administration  
on September 14, 2006*

#### **SUMMARY**

H.R. 4844 would amend the Help America Vote Act of 2002 to require all voters in federal elections to display a valid and current photo identification card issued by a government agency. The requirement would begin with the November 2008 federal election. The legislation would require the photo identification cards to document U.S. citizenship by the 2010 federal election. The legislation would require states to provide photo identification cards to all eligible voters who cannot pay for them, and it would authorize appropriations for the Election Assistance Commission (EAC) to reimburse states for those costs. CBO estimates that implementing H.R. 4844 would cost about \$1 million in 2007 and \$77 million over the 2007-2011 period, assuming appropriation of the necessary amounts.

H.R. 4844 contains intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA). Beginning in 2008, the bill would:

- Require state and local governments to establish a program that would make certain forms of photo identification available to those who currently do not have it;
- Prohibit state and local governments from allowing individuals without proper photo identification to vote; and
- Prohibit states from charging a fee for such identification if the applicant cannot afford the fee.

While the aggregate costs to state, local, and tribal governments of complying with these mandates is uncertain, CBO estimates that they would far exceed the threshold established in UMRA (\$64 million in 2006, adjusted annually for inflation) in at least one of the first five years after the mandates go into effect. The bill would authorize funds to cover the costs of

reimbursing states for providing identification cards to those individuals that cannot afford them, which CBO estimates would total about \$70 million over the next few years.

By requiring individuals to have a government-issued identification to vote in a federal election, H.R. 4844 also would impose new private-sector mandates as defined in UMRA. Based on information from government and other sources, CBO estimates that the cost to comply with those mandates would exceed the annual threshold established by UMRA for private-sector mandates (\$128 million in 2006, adjusted annually for inflation) in at least one of the first five years the mandates are in effect.

## ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 4844 is shown in the following table. The cost of this legislation falls within budget function 800 (general government).

	By Fiscal Year, In Millions of Dollars				
	2007	2008	2009	2010	2011
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>					
Photo Identification Card Reimbursement					
Estimated Authorization Level	0	50	20	1	1
Estimated Outlays	0	44	26	1	1
Election Assistance Commission					
Estimated Authorization Level	1	2	2	*	*
Estimated Outlays	1	2	2	*	*
Total Changes					
Estimated Authorization Level	1	52	22	1	1
Estimated Outlays	1	46	28	1	1

NOTE: \* = less than \$500,000.

## BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 4844 will be enacted near the start of fiscal year 2007, that the necessary amounts will be provided for each year, and that spending will follow historical patterns for similar programs.

Assuming appropriation of the necessary amounts, CBO estimates that implementing H.R. 4844 would cost \$1 million in 2007 and \$77 million over the 2007-2011 period to reimburse the states for the cost of providing photo identification cards to voters who cannot afford to pay the cost of obtaining a card, and the cost to the EAC to operate the reimbursement program.

### **Photo Identification Card Reimbursement**

Starting in fiscal year 2008, section 3 would authorize the appropriation of such sums as are necessary for the EAC to make payments to states to cover the costs of providing government-issued photo identification cards to voters who state that they cannot afford to pay for the cards. The cost of implementing this provision would depend upon the number of voters who receive identification cards for free, and the cost of producing those cards.

The National Commission on Federal Election Reform estimated in 2001 that up to 10 percent of those eligible to vote do not have official state identification (typically, driver's licenses). The commission assumed that this population consisted of the poor (who may not have cars) and those living in dense urban areas (who may not need cars). Indiana, Georgia, and Missouri currently require voters to have photo identification. Those states estimate that around 7 percent of their registered voters do not have a state-issued driver's license or identification card.

Based on the estimates and experience of those states, CBO estimates that about 4 percent of the nation's registered voters—about 7 million individuals—do not have state identification cards and would likely request free identification cards to vote in federal elections. That estimate reflects the expectation that only those registered voters who intend to vote might seek free identification cards.

States typically charge about \$10 to issue an identification card. CBO estimates the cost of providing photo identification for voters who cannot afford them would be about \$45 million in 2008 and \$72 million over the 2008-2011 period, assuming appropriation of the necessary amounts. That amount includes the cost of providing free ID cards to some newly registered voters over the 2010-2011 period.

### **Election Assistance Commission**

Section 3 would require the EAC to reimburse the states for the cost of providing free photo identification cards, and to promulgate regulations for obtaining reimbursement. Based on information from the EAC, CBO estimates that additional staffing and administrative

requirements necessary for those efforts would cost \$1 million in 2007 and \$5 million over the 2007-2011 period.

## **ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS**

H.R. 4844 contains intergovernmental mandates as defined in UMRA. Beginning in 2008, the bill would:

- Require state and local governments to establish a program that would make certain forms of photo identification available to those who currently do not have it;
- Prohibit state and local governments from allowing individuals without proper photo identification to vote; and
- Prohibit states from charging a fee for such identification if the applicant cannot afford the fee.

While the aggregate costs to state, local, and tribal governments of complying with these mandates is uncertain, CBO estimates that they would far exceed the threshold established in UMRA (\$64 million in 2006, adjusted annually for inflation) in at least one of the first five years after the mandates go into effect. The bill would authorize funds to cover the costs of reimbursing states for providing identification cards to individuals that cannot afford them, which CBO estimates would total about \$70 million over the next few years.

### **Preemption of State Voting Laws**

The bill would prohibit state and local governments from allowing individuals without proper photo identification to vote. This requirement would preempt state laws in the 47 states that do not currently require all voters to show photo identification when voting. The preemption, in and of itself, would not impose significant costs on those governments.

### **Establishing an Outreach Program**

The bill would require states to "establish a program" to provide photo identification cards to meet the requirements of the bill. According to government sources, establishing such a program would require some or all of the following: purchasing certain new equipment, hiring additional staff for certain offices, training current employees, providing outreach activities to educate affected voters via pamphlets, television and radio advertisements, and posting information on state and local Web sites. Costs for each state would vary based on

the demographics of the population the state without photo identification and the current voting structure in the state. For example, states that conduct voting by mail would not incur costs to train poll-workers, while states that do not currently have a Department of Motor Vehicles office in each county would need to purchase equipment for county offices. CBO estimates that, in aggregate, these costs to establish outreach programs would total about \$75 million in 2008 and about \$50 million in 2010.

### **Providing Free Identification Cards**

The bill also would require, starting in 2008, states to provide voter identification cards for free to citizens who cannot afford to pay for one.

In the three states that currently require voters to show photo identification when voting, states provide such cards for free to those who cannot afford them. CBO expects that those states would comply with this mandate without incurring significant additional costs. The 47 states that do not currently require all voters to show photo identification when voting would be required to issue free cards to indigent citizens. While the costs vary by state, on average, states charge about \$10 for identification cards that are not driver's licenses. Based on information from the states that currently have photo identification requirements and on nationwide studies of those without photo identification, CBO expects that about 4 percent of the population likely would apply for and receive a free card as a result of this bill's requirements. CBO estimates that the costs to state, local, and tribal governments would total about \$70 million, with most costs occurring in calendar year 2008. The bill would authorize funds to cover these costs.

### **Issuing Identification Cards for Proof of Citizenship**

The bill also would require states to issue, by 2010, identification cards for which applicants would be required to provide proof of citizenship. Under current law, states do not collect or place citizenship status of an applicant on their driver's license or other identification cards, although they will begin collecting such information in May 2008 under the requirements of the REAL ID Act. CBO expects that by 2010, roughly half of the voting-age population will have a driver's licence that complies with the terms of the REAL ID Act, although such licenses would not necessarily comply with the requirements of this bill. States could place the citizenship information they collect on these driver's licenses and would incur only small additional costs to comply with the requirements of this bill.

Of the remaining population (those people whose driver's licenses would not come up for renewal until after November 2010), CBO expects that about 20 percent could vote using a passport to prove citizenship. The remaining population—about 50 million people—would

be required to either renew their driver's licenses early or to obtain voter identification cards as authorized by the bill. The costs of processing such a large number of applications by 2010 would be substantial. While the costs to states would vary, they would include providing new licenses or identification cards, establishing new databases, hiring and training new staff, and providing services to a large number of additional residents. CBO cannot estimate the total costs of this mandate, but they likely would far exceed the threshold established in UMRA.

State governments may choose to use revenues received from fees to cover the expenses associated with this mandate. Under UMRA, however, these revenues are considered a means of financing and as such are not counted against the mandate costs of H.R. 4844 for purposes of determining whether costs would exceed the UMRA threshold.

## **ESTIMATED IMPACT ON THE PRIVATE SECTOR**

By requiring individuals to have a government-issued identification to vote in a federal election, H.R. 4844 would impose new private-sector mandates, as defined in UMRA. Based on information from government and other sources, CBO estimates that the cost to comply with those mandates would exceed the annual threshold established by UMRA for private-sector mandates (\$128 million in 2006, adjusted annually for inflation) in at least one of the first five years the mandates are in effect.

Under the bill, the requirement for an individual to have a government-issued identification for federal elections would be implemented in two phases. In 2008, the bill would require individuals to provide "a government-issued, current, and valid photo identification" to the appropriate election official when voting in person. Individuals voting other than in person would be required to submit "a copy of a government-issued, current, and valid photo identification" along with their ballot. Certain voters in the uniformed services that are absent from the United States during the election would be exempt from this requirement. Individuals who wish to vote and who do not have an appropriate identification card would have to obtain one. Government identification cards such as a passport, a driver's license, or a state-issued photo identification would meet the requirement for voting in federal elections. On average, the state-issued photo identification would be the least expensive method to comply. For individuals who need to obtain identification, the cost of complying with the first phase of the mandate would be fees charged by states along with other expenses for individuals to obtain the photo identification. The bill would prohibit states from charging a fee to any individual who provides an attestation that they cannot afford the fee for a photo identification. In addition, the incremental costs for individuals voting other than in person would be the expense of making a copy of their identification.

Beginning with the regularly scheduled general election for federal offices held in November 2010 and each subsequent federal election, individuals who want to vote would have to get "a government-issued, current, and valid photo identification for which the individual was required to provide proof of United States citizenship as a condition for the issuance of the identification." Passports would meet that requirement. Individuals without passports may be able to use drivers' licenses that are issued and compliant with the REAL ID Act, depending on whether those licenses also meet the requirements of this bill. The REAL ID Act requires states to meet minimum standards for the documentation required by applicants for drivers' licenses and identification cards. Under current law, state-issued drivers' licenses are supposed to be compliant with the REAL ID Act by May 2008. Individuals that have obtained driver's licenses between now and when their state becomes compliant with the REAL ID Act would have to renew their licenses early or obtain another state-issued identification in order to vote in 2010. Based on information from government and other sources regarding the percentage of individuals that renew licenses each year, the percentage of individuals with passports, and the number of individuals that vote in federal elections, CBO estimates that the cost to comply with this mandate would exceed UMRA's annual threshold.

**ESTIMATE PREPARED BY:**

Federal Costs: Matthew Pickford

Impact on State, Local, and Tribal Governments: Sarah Puro

Impact on the Private Sector: Paige Piper/Bach

**ESTIMATE APPROVED BY:**

Peter H. Fontaine

Deputy Assistant Director for Budget Analysis